precluding any potential resolution. This problem is not limited to SLE and is indicative of the anticompetitive behavior of the monopolistic access providers.

43. ESPs cannot be expected to travel through the maze of industry discussions, meetings and standards processes when no clear direction and timetables exist for true unbundling. The RBOCs have established a strategy to deny true unbundling through a continuum of tactical hurdles, one after another. For example, their closed AIN architecture was not designed to provide the foundation to build an open network access environment. This resulted in the need to create new issues at the IILC. This is just another hurdle to opening the RBOC networks beyond a token level. Based on these experiences, it is clear that the RBOCs must be required to unbundle their networks for ESPs and other competitive service providers, since they will never do so on a voluntary basis.

Further Affiant saith not

Peter P. Guggina

Peter P. Guggina

Subscribed and sworn to before me
this 3 day of April, 1995.

Sheri Hayes

Notary Public

SHERI HAYES
NOTARY PUBLIC
State of Texas
Comm. Exp. 10-23-96

EXHIBIT C

MISSOURI TELEMESSAGING ASSOCIATION

Suite 106
11330 Olive Bolevard
St. Louis, MO 63141-7161

314-995-9000 (FAX) 314-995-1329

March 30, 1992

In Re: House Bill No. 1076

Dear Senator:

I am writing to you, on behalf of the Missouri Telemessaging Association regarding HB 1076, which is being considered by the Senate Commerce Committee. Although I represent the Telemessaging industry, our concerns apply to all other industries that compete with a local exchange telephone company.

Although there are many provisions of HB 1076 which we believe are not in the public interest, we will focus on our main concerns which are competive safeguards.

Our industry has been providing voice mail services to the public since they became commercially available in the early 80's. In March of 1988, Judge Harold Greene removed the restriction which allowed Southwestern Bell and other Bell operating companies to offer voice mail for the first time. The FCC's "non-structural safeguards" have not prevented the Bell operating companies from abusing their monopoly power to impede competition in the voice mail marketplace.

United States Representative Jack Brooks (D-Texas) has denounced the regional telephone companies as monopolies and plans to draft legislation to block their expansion into other businesses, such as information services. He sees the current situation as a telecommunications anarchy in which "rules are being made up on an ad hoc basis, with no coordination ... out of view of [the] American public."

We have documented hundreds of instances throughout the United States of unfair marketing practices. Two Bell operating companies, BellSouth and U.S. West, were among the first to aggressively offer voice mail services. It should not be a surprise that these monopolies have had a majority of the documented abuses

In May 1991, the Georgia Public Service Commission concluded that Southern Bell "has actually used its monopoly position to deter competition in the voice messaging service market," causing "inevitable and likely irreparable harm..." It found evidence of specific abuses in three areas:

I. <u>Discriminatory access to network features</u>. The Georgia Public Service Commission explained that BellSouth:

has both the opportunity and incentive to use its monopoly control of the local market through its influence on whether, how and when competitors can access the local network. Further, the evidence shows that Southern Bell Telephone has not hesitated to take advantage of this opportunity ... and will continue to do so if left unchecked by the Commission.

II. Marketing abuses. The Georgia Public Service Commission held that BellSouth, through its preferential access to CPNI and its ability to engage in joint marketing and joint billing and collection, "unfairly trade[d] on Southern Bell Telephone's monopoly position to the immediate and irreparable detriment of a competitive voice messaging service market.

III. Cross-subsidization and predatory pricing. The Georgia Public Service Commission found record evidence suggesting that MemoryCall "cannot be offered at the price charged by Southern Bell Telephone and cover the true cost to Southern Bell Telephone of even just the phone lines, trunk lines and equipment necessary to technically provide MemoryCall ...."

Message World, a voice messaging service provider in Norcross, Georgia, signed two new customers for its voice mail offering and placed the necessary service orders (including a request for Call Forwarding No Answer) with BellSouth. Within days, Message World was informed by an angry client that the customers' calls were being routed not to the messaging bureau's voice mailboxes but to BellSouth's competing offering, "Memory Call." This problem is particularly troubling inasmuch as the messaging bureau placed its service order through BellSouth's "Vendor Marketing" office, a separate marketing arm designed to prevent joint selling of regulated and unregulated services.

Alert Telephone Answering Service, Inc., in Denver, keeps detailed records of customers lost to "poaching" by U.S. West solicitations. These records reveal that, since August 1989, U.S. West has regularly used employees involved in the provision of regulated local exchange service to solicit customers of competitive live operator answering services and voice messaging services to switch to U.S. West's offerings. Specifically:

1) Regulated service personnel have solicited customers of competing messaging services who call U.S. West to order call forwarding features.

2) Customers of competitors have been told that U.S. West would waive installation charges on its voice messaging service.

3) U.S. West regulated service personnel have offered extensive free trials of voice mail.

4) Messaging customers have been solicited for U.S. West's voice messaging service when they call to request the removal of call waiting, a relocation of service to another address, or the addition of phone or fax lines at existing addresses.

5) Messaging customers have also been solicited when calling U.S. West to inquire about their telephone bills or to report problems with telephone service.

6) The manager of one telephone answering company who called U.S. West to report loss of service on her telephone was offered a free trail of U.S. West's voice messaging service in lieu of a credit on her telephone bill.

7) U.S. West regulated service personnel have told prospective customers that the company's voice messaging service can offer conveniences not available from competitors because of technological limitations when, in fact, equivalent features are either not made available to competitors on an economic basis or are available only on an intraoffice basis.

Now that Southwestern Bell has recently begun to offer its own voice mail, the same type of monopoly abuse is occurring in Missouri in less than three months. Specifically:

--Southwestern Bell has used unlisted confidential telephone records to solicit voice mail customers.

--Southwestern Bell has violated the FCC ruling on "unhooking" by soliciting existing competitive voice mail customer.

--Southwestern Bell has taken a monopoly repair complaint and has used this to solicit voice mail.

--Southwestern Bell is soliciting new customers before competition ever has a chance to earn their business.

HB 1076 does nothing to correct these abuses.

Our customer must contract with the monopoly phone company in order to utilize our voice mail services. Every new resident or business must contact the monopoly in order to establish new service. This is as fair as having Domino's take and deliver Pizza Hut's orders.

The law must be amended to insure fair competition. A resolution adopted by the National Association of Regulatory Utility Commissioners (NARUC) needs to be added to this bill to provide the necessary safeguards. It calls for separate accounting, separate marketing and prohibits cross-subsidization. Our Missouri Public Service Commision Chairman, Kenneth McClure, was on the NARUC committee that proposed these safeguards.

I sincerely appreciate the opportunity to explain our position on this critical issue.

Sincerely,

Todd Kamp

Todd Kamp

EXHIBIT D

steps to strengthen the cost allocation rules.[86] The Commission concludes, in the alternative, that "[t]o the extent cost accounting safeguards may involve any diminution in protection against cross-subsidization, [relative to structural separation,] the danger of this is outweighed by the benefits of integration."[87]

As an introductory matter, the Commission's alternative conclusion clearly must be rejected. As explained in Part I of these comments, BOC provision of enhanced services will produce no significant public benefits. It is therefore impossible for such benefits to outweigh any "diminution in protection" resulting from elimination of structural separation. The Commission's attempt to reduce its regulatory safeguard burden by reliance on supposed benefits simply is not possible. Unless nonstructural safeguards can be shown to be at least as effective as structural separation in preventing cross-subsidies, therefore, the Commission cannot reasonably eliminate structural separation. As explained below, no such showing is possible.

2. <u>Joint Cost Allocation Is Inherently Ineffective</u>

The problem with reliance on the Commission's cost allocation and monitoring rules as a basis for eliminating structural separation is not so much that the rules need vast

---

86/ NPRM at ¶¶ 14-30.

87/ <u>Id</u>. at ¶ 32.

improvement, which they do, but that no cost allocation rules can effectively prevent cross-subsidies in the provision of integrated services. Accounting and other non-structural separation rules and policies fail to eliminate either the incentives or the opportunities to engage in cross-subsidization of nonregulated services with monopoly profits. Nor does attempting to "fix" the rules already in existence alter their basic ineffectiveness. The flaw with the Commission's reliance upon nonstructural requirements is that neither expending resources to improve their usefulness nor mandating greater compliance with them will alleviate the underlying reality that accounting safeguards are not capable of preventing cross-subsidization.

Regardless of their form or strength, non-structural cost separations will not suffice because they fail to address three fundamental issues: (1) there is no accurate method for developing an allocator for jointly used resources; (2) telephone company control over allocation formulae and the internal data used to populate the formulae result in the distorted apportionment of costs; and (3) BOCs will continue to overproject their regulated use of joint investment and expenses, rendering incorrect any forward-based allocation.

a. There is No Accurate Method For Developing an Allocator For Jointly Used Equipment

Although BOC nonregulated operations have historically accounted for only a small portion of their total operations, the costs associated with these services are not insignificant. Projected 1990 nonregulated expenses for the BOCs are $2.624 billion, or 4.72% of their total company expenses. If BOC nonregulated operations expand, MCI is concerned that the current problem of improper cost allocation will only magnify as the BOCs' nonregulated service costs grow.

The problems associated with joint use costing result, not necessarily from accounting abuses, but from the arbitrariness of the allocators used to divide joint costs, the BOCs' discretion to decide which of several allocators to use, and their ability to choose resources and technologies that evade the constraints of the costing process to their advantage. Simply put, there is no method that ensures correct cost apportionment of jointly used resources. On the surface, it might appear that standardization of allocators among the Tier I LECs would mitigate this problem, but there is no underlying "science" or economic theory upon which a particular standard can be chosen. Even readily trackable measures such as minutes or miles cannot accurately capture the cost causative effect that each BOC service will have on its choice of inputs or production techniques.

Further, even if a single method could be deemed the most appropriate (though not accurately reflecting cost causation), the BOCs still retain discretion over both the compilation of the data used to calculate allocation formulae (such as usage) and the manner in which the joint services or investment are actually used. As long as the BOCs retain the incentive to engage in cross-subsidization, they will take advantage of any leeway in the implementation of cost allocation rules to benefit their unregulated ventures.

Investment in advancing technologies further increases the difficulty of achieving accurate allocations. In an integrated operation, carriers may select a technology that is more sophisticated or more extensive than is required of the regulated operation alone. The flexibility given the BOCs to choose the technology and the way it is employed can defeat even the most accurately designed accounting mechanism. For example, if the firm installs fiber primarily to offer enhanced or other nonregulated services, then the allocation of virtually any of those network reconfiguration costs to regulated narrowband basic services will be incorrect. Certainly, any allocation based on relative usage of these facilities -- given the predominance of regulated usage -- will not reflect cost causation, but will instead impose an unfair cost burden on the services that do not benefit from these large-scale investments.[88]

---

[88] Accordingly, the BOCs' MFJ argument that nonregulated services bear too much of the total costs can be ignored. The (continued...)

Ideally, a costing process should identify the additional research and development and implementation costs of building a network that can offer enhanced as well as basic services. Aside from any issue of the possible biasing of hardware design to favor nonregulated services, however, the design and costing of the associated software present a greater dilemma. Software development comprises a significant proportion of costs to the LECs of upgrading their networks, but it is often difficult to determine the actual cost of software due to discounting and other pricing practices that effectively bundle software costs with hardware costs. Under these circumstances, if a particular software package is acquired at the time of the initial purchase of a switch that is necessary only for future nonregulated services, it would be virtually impossible to develop a costing model to reflect this underlying factor.

Even if the unbundled cost of software could be determined, the allocation of the cost of most software to individual services is virtually impossible. For example, the basic

---

88/(...continued)
BOCs assume (BOC MFJ Reply at 58; Farmer Reply Aff., BOC MFJ Reply, at 14-15) that network investment is static and that the same facilities that are being jointly used would otherwise have been used only for regulated services. Under that assumption, the nonregulated service users are supposedly subsidizing the regulated service ratepayers by bearing some of the costs that the ratepayers otherwise would have borne entirely. In reality, however, more expensive facilities will be installed if joint use is intended, and the regulated ratepayers will end up bearing a disproportionate share of the additional cost, even though that additional cost was necessitated by anticipated nonregulated usage.

operating software of a digital central office serves many purposes, and it cannot be attributed solely either to regulated or nonregulated services. Moreover, even directly allocating the cost of specific applications software developed for nonregulated services to those services will not reflect the changes in operating system software or data base management system software that may be necessitated by the new applications software. In sum, standardization of allocation models will not solve the joint use cost issues because there is no way to design the key element of such a model -- an allocator that accurately distinguishes between regulated and nonregulated costs. The more facilities that are jointly used for both regulated and enhanced services, the worse this problem will become.

b. The Commission's Cost Allocation Rules Are Ineffective When the BOCs Retain Control Over Both the Allocation Formula and the Internal Data Used to Apportion Joint Use Costs

As long as a carrier's judgment is so crucial to the costing process, the carrier cannot be held accountable to any objective standard. The discretion of the BOCs to both design the costing paradigm and input the data maximizes opportunities to direct the results of their usage allocations. Eliminating design flexibility (e.g., standardizing the allocation manuals) may reduce the problem, but no degree of monitoring (e.g., independent audits) or controls (e.g., the benchmark ratios of ARMIS) can remove the underlying incentive of the BOCs to cross-subsidize nonregulated services with regulated profits. As long as this incentive exists, opportunities for the LECs to thwart the Commission's objectives will remain.

The costing safeguards that the Commission offers as a solution to this problem primarily serve as cost misallocation "detection devices," which function most effectively when applied to transactions that take place on an arm's-length basis. The rules governing transactions between affiliates establish explicit standards for exchanges between two discrete business entities, and carriers that fail to comply with these rules can, on occasion, be identified through the audit process. The current and proposed cost allocation rules, on the other hand, are not so clear, and it is more difficult to detect breaches of those rules (even with stricter audit standards), because they are ambiguous and subject to inconsistent carrier interpretation.

The relative effectiveness of the Commission's rules when applied to affiliate transactions is illustrated by an audit of BellSouth's Cost Allocation Manual conducted by the Southern Task Force, a staff committee of the Southeastern Association of Regulatory Utility Commissions (SEARUC). The Audit Team reported that it believes that BellSouth's Cost Allocation Manual was "inconsistent with the requirements of Section 32.27(d) of the Uniform System of Accounts."[89] It reached this conclusion because BellSouth apparently improperly recorded on the books of

---

[89] SEARUC Southern Task Force BellSouth Audit at EX-7.

the regulated operating companies an affiliate transaction at a "negotiated contract" rate in excess of the actual cost of the service, resulting in a total overstatement of regulated costs by $400 million since divestiture.[90]

Further, in an order adopted on October 3, 1990, the Commission accepted the Consent Decree negotiated in response to the NYNEX Telephone Companies' apparent violations of Commission rules governing affiliate transactions between the operating companies and NYNEX Material Enterprises Co. ("MECO").[91] Under the terms of the decree, NYNEX was required to reduce its interstate rates by $35.5 million, reduce its capital accounts by $32.6 million, adjust its 1990 Form M reports, and voluntarily contribute $1.419 million to the U.S. Treasury. As is shown by these examples, when carriers engage in flagrant violations of simple, clear rules, such as the affiliate transaction rules, it is far easier to take corrective action and assess penalties of the magnitude necessary to deter subsequent transgressions, than is the case when the infraction is of a more ambiguous nature.[92]

90/ Id. at EX-8.

91/ New York Telephone Co. and New England Tel. & Tel. Co., FCC 90-328 (released Oct. 4, 1990).

92/ Moreover, the relatively flagrant violations involving MECO were going on for a number of years, and were uncovered by private whistleblowers rather than the Commission's own investigation (see Boston Globe, December 22, 1988, at 1; MIS Week, January 9, 1989, at 7-8). The MECO Consent Decree thus (continued...)

The value of these rules and monitoring procedures is significantly reduced if the Commission fails to require structural separation of BOC regulated and enhanced service operations. Reliance upon a carrier's cost allocation manual to eliminate cross-subsidization is a particularly ineffective and inadequate solution when it is applied to the carrier's integrated operation because it is based predominately on judgment calls (both in designing the model and in evaluating the functional characteristics of the input cost data) and not on explicit, simple rules. It is difficult to identify, substantiate, and assess penalties for those rule infractions which fall into the "grey areas" that are endemic to both the development and application of carriers' cost allocation manuals.

An example of the problems associated with a system based on judgment involves the time reporting of a technician who both installs telephone lines (regulated) and repairs inside wiring (nonregulated). Only the individual performing the work function can attest to the correct allocation of the work effort. Even if the person is not aware of the financial impact of over-reporting regulated time, management may have provided subtle encouragement which might give the technician an incentive to incorrectly report the time required to perform the regulated task. Or, it

---

92/ (...continued)
hardly gives ratepayers a great deal of confidence that they will be protected, even where violations are relatively easy to detect.

simply may not be apparent to an individual how to appropriately allocate time. This could occur in an external relations function, where it might never be known whether the regulated or nonregulated sector benefitted from a particular encounter.

When these types of misallocations occur, there is little opportunity to detect or verify their existence, and therefore, it is unlikely the Commission will take punitive action against the carrier. It is next to impossible to judge the accuracy of an individual's time reporting, short of assigning another person full time to verify all reported activities, an impracticable and still judgment-based means of attempting to curb cross-subsidization. Further, even if a discrepancy were discovered, it is not likely to be an egregious rule violation, but rather a misinterpretation or "bending" of the rules.

c. The BOCs Will Continue to Overproject Their Regulated Use of Joint Investment and Expenses, Rendering Incorrect Any Forward-Based Allocation

The Commission should also retain its structural separation requirement because of the burden imposed on ratepayers due to the inaccuracies inherent in carrier forecasting of the relative regulated and nonregulated use of shared network facilities and resources. Even under price cap regulation, it is still in the BOCs' financial interest to overallocate costs to regulated operations because of the "sharing" obligation, as noted earlier. If a carrier overestimates regulated usage, it is required to transfer the excess amount of investment from the regulated to the nonregulated books of account at the authorized interstate rate of return. If a carrier underallocates its regulated costs, on the other hand, no such adjustment mechanism exists. Once a carrier allocates costs to its nonregulated operation, therefore, it runs the risk of lower profitability, should nonregulated demand fail to materialize.

To avoid such an outcome, a carrier may choose to simply overforecast regulated usage, and later, if necessary, make the penalty-free adjustment. The resulting overassignment of costs to the regulated side reduces the carrier's price cap sharing obligation, thus ultimately forcing regulated ratepayers to finance investment that actually benefits nonregulated services.[23/]

Thus, overall, the BOCs retain the flexibility to free their nonregulated services of any of the normal business risks of making long term competitive investments. If a BOC were to overinvest in facilities used partly for competitive services, or if demand for a competitive service fails to materialize, these BOC operations do not face risks commensurate with those encountered by similar non-BOC affiliated ventures. To the

---

23/ Similarly, if a carrier were struggling to achieve a minimal earned return, it might be encouraged to load costs onto regulated services because the lower adjustment formula mark guarantees a level of profitability that is not guaranteed for competitive services.

extent that such investments can be allocated to regulated services, the nonregulated business unit is not burdened with the total risk associated with that investment. Structural separation must be maintained to reduce the ratepayers' exposure to the financial burden and risks associated with incorrectly allocated unregulated costs.[94]

---

[94] The BOCs may argue that the exogenous treatment of reallocations from regulated to nonregulated costs under price caps (see LEC Price Cap Order at ¶¶ 171-72) will serve as an effective check on the tendency to overallocate costs to regulated services. At first glance, the "penalty," in the form of a PCI reduction, of having to correct for such overallocations under price caps would appear to deter such overallocations.

In fact, however, the forecasting methods used by the BOCs continue to provide loopholes which a creative BOC will be able to use to ensure that such a costly reallocation can be avoided through adept forecasting. As BOCs make new investments, annual forecasts of relative use are made to add these investments to the existing cost pools. At the end of each year, forecasted use is compared to actual use for each pool. On a going-forward basis, the forecasted usage for the cost pool equals the weighted sum of the forecasts for each year's addition to the pool. At no point, however, is any forecast of the usage of a single year's investment compared to the actual usage of that particular investment. Rather, the comparisons are made between usage and projections for all investments added to the cost pool from the time the nonregulated services are first offered until an investment is fully depreciated. Accurate forecasting, therefore, is never required on an individual investment basis, creating an opportunity for the BOCs to adjust for previous forecasts instead of making downward rate adjustments.

As long as relative use projections are adjusted every year, as new investments are added to the pool, BOCs can always skew usage projections for new investments to offset previous regulated overforecasting. Thus, as actual regulated usage of existing investment falls short of previous projections, the regulated usage of new investment can be similarly overprojected so that overall, projected regulated usage appears to be in line with actual regulated usage, thereby avoiding the need for reallocation from regulated to nonregulated costs.

d. Joint Cost Rules Cannot Prevent Misallocations of Personnel Costs

Joint cost rules are also useless in allocating one of the most important investments in the information industry, namely human costs. Nothing in the Commission's joint cost rules, or in any conceivable set of rules, can control the inherent subsidizing of enhanced services that occurs when regulated service employees develop a network capability that will be useful for the BOC's enhanced services, especially one that will not be as useful for other ESPs' services. The network capability and the BOC employees are part of the regulated system, so their costs are attributed entirely to regulated services. In fact, however, it is the enhanced services that have benefitted, while bearing none of those costs. An even more obvious, but still unrecognized, cross-subsidy occurs when an employee is trained by a BOC and then transferred to the enhanced service operations. His or her salary and other overhead expenses may be attributed to the enhanced services from then on, but the value of the training invested by the ratepayers is never recaptured.[25]

3. Cost Accounting Regulation Operates Only After the Fact

In those limited situations where cost accounting regulation might work, it still fails because it operates only after the

---

25/ Such transfers can still take place under structural separation, but they at least are more visible in that case.

fact. Until the time that the Commission's overstrained audit resources can be brought to bear on a cost violation, the BOC is able to overcharge its regulated ratepayers and undercharge its enhanced service customers. It can thus unfairly gain market share at the expense of independent, lower-cost ESPs, thereby possibily damaging competition in enhanced services. Once the Commission catches up with the violator, the economic damage has been done and may not be remediable. Even with the increased penalties described in footnote 61 of the NPRM, a BOC will still have an economic incentive to misallocate costs. The penalties, if they are assessed, are still trivial compared with the tremendous multi-million dollar advantages that can be secured through cost misallocations of only hundredths of one percent of total costs. Penalties are still just another cost of doing business for the BOCs, leaving their incentives to shift costs and cross-subsidize unaffected.

4. The Five Proposals in the NPRM Add Nothing of Significance to This Proceeding

Finally, the five new proposals in the NPRM -- although positive steps in themselves -- must be discounted in any cost-benefit analysis of the substitutability of nonstructural regulations for structural separation. The first proposal is nothing new, but rather calls for continued nonregulated treatment for enhanced services.[26] Obviously, any joint cost

[26] NPRM at ¶ 27.

<u>CERTIFICATE OF SERVICE</u>

I, Hilary Soldati, do hereby certify that true and correct copies of the foregoing "COMMENTS" and "MOTION FOR LEAVE TO FILE CORRECTED COMMENTS" were served this 10th day of April, 1995, by first-class mail, postage prepaid, upon the attached parties.

Richard E. Wiley
Michael Yourshaw
William B. Baker
Wiley, Rein & Fielding
1776 K Street, N.W.
Washington, D.C. 20006

C. Douglas Jarrett
Keller and Heckman
1150 17th Street, N.W.
Suite 1000
Washington, D.C. 20036

Henry D. Levine
James S. Blaszak
Ellen G. Block
Levine, Blaszak, Block & Boothby
1200 19th Street, N.W.
Room 602
Washington, D.C. 20036

David P. Condit
Edward A. Ryan
AT&T
Room 3244JI
205 North Maple Avenue
Basking Ridge, NJ 07920

William J. Cowan
Penny Rubin
Public Service Commission of the State of New York
Three Empire Plaza
Albany, NY 12223

Janice E. Kerr
Ellen Levine
Edward W. O'Neill
California Public Utilities Commission
505 Van Ness Avenue
San Fransisco, CA 94102

Randolph J. May
Brian T. Ashby
Sutherland, Asbill & Brennan
1275 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Peter B. Kenney, Jr.
Baker & Hostetler
1050 Connecticut Avenue, N.W.
Suite 1100
Washington, D.C. 20006

Howard C. Davenport
Peter G. Wolfe
Lisa C. Wilson
Public Service Commission of the District of Columbia
450 Fifth Street, N.W.
Eighth Floor
Washington, D.C. 20001

Philip L. Verveer
Sue D. Blumenfeld
John L. McGrew
Willkie Farr & Gallagher
Three Lafayette Centre
1155 21st Street, N.W.
Suite 600
Washington, D.C. 20036

Werner K. Hartenberger
Charles H. Helein
Dow, Lohnes & Albertson
1255 23rd Street, N.W.
Suite 500
Washington, D.C. 20037

Joseph P. Markoski
Jeffrey A. Campbell
Ann J. LaFrance
Kerry E. Murray
Squire, Sanders & Dempsey
1201 Pennsylvania Avenue, N.W.
P.O. Box 407
Washington, D.C. 20004

Brian R. Moir
2000 L Street, N.W.
Suite 512
Washington, D.C. 20036

Paul Rodgers
Charles D. Gray
James Bradford Ramsay
NARUC
1102 ICC Building
P.O. Box 684
Washington, D.C. 20044

Herbert E. Marks
Jody D. Newman
James L. Casserly
Amy O. Scott
Squire, Sanders & Dempsey
1201 Pennsylvania Avenue, N.W.
P.O. Box 407
Washington, D.C. 20044

Phillip M. Walker
Telenet Communications
Corporation
12490 Sunrise Valley Drive
Reston, VA 22096

Michael E. Glover
Lawrence W. Katz
The Bell Atlantic Telephone
Companies
1710 H Street, N.W.
Washington, D.C. 20006

M. Robert Sutherland
A. Kirven Gilbert III
BellSouth Corporation
675 W. Peachtree Street
Suite 4300
Atlanta, GA 30367-6000

Edward R. Wholl
Carlos Sandoval
New York Telephone Co.
120 Bloomingdale Rd.
White Plains, NY 10605

Albert H. Kramer
Robert F. Aldrich
Keck, Mahin, Cate
1201 New York Ave., N.W.
Penthouse Suite
Washington, D.C. 20005

Donald W. Boecke
NYNEX
1828 L Street, N.W.
Suite 1000
Washington, D.C. 20036

Robert M. Lynch
Richard C. Hartgrove
Michael J. Zpevak
Southwestern Bell Telephone
Co.
One Bell Center
Suite 3620
St. Louis, MO 63101

James B. Tuthill
Jeffrey B. Thomas
Nevada Bell
140 New Montgomery Street
Room 1522-A
San Francisco, CA 94105

Stanley J. Moore
Pacific Bell
1275 Pennsylvania Ave., N.W.
Washington, D.C. 20004

David Alan Nall
Squire, Sanders & Dempsey
1201 Pennsylvania Ave., N.W.
P.O. Box 407
Washington, D.C. 20044

CompuServe Incorporated
5000 Arlington Centre Blvd.
P.O. Box 20212
Columbus, OH 43220

John F. Sturm
Newspaper Association of America
529 14th Street, N.W.
Suite 440
Washington, D.C. 20045-1402

Benjamin H. Dickens, Jr.
Gerald J. Duffy
Blooston, Mordkofsky, Jackson & Dickens
2120 L Street, N.W.
Suite 300
Washington, D.C. 20037

J. Roger Wollenberg
W. Scott Blackmer
Wilmer, Cutler & Pickering
2445 M Street, N.W.
Washington, D.C. 20037-1420

David Cosson
L. Marie Guillory
National Telephone Cooperative Association
2626 Pennsylvania Ave., N.W.
Washington, D.C. 20037

Gary L. Lieber
J. Thomas Esslinger
Schmeltzer, Aptaker & Shepard, P.C.
2600 Virginia Ave., N.W.
Suite 1000
Washington, D.C. 20037-1905

Douglas E. Neel
Vice President
Regulatory Affairs
MessagePhone, Inc.
5910 N. Central Expressway
Suite 1575
Dallas, TX 75206

Robert M. McKenna
US West, Inc.
1801 California St.
Suite 4700
Denver, CO 80202

Pamela J. Andrews
John M. Dempsey
Ameritech Operating Companies
2000 W. Ameritech Center Dr.
Room 4H74
Hoffman Estates, IL 60196-1025

Martin T. McCue
Linda Kent
United States Telephone Asssociation
900 19th Street, N.W.
Suite 800
Washington, D.C. 20006-2105

R. Michael Senkowski
Jeffrey S. Linder
Rachel J. Rothstein
Wiley, Rein & Fielding
1776 K Street, N.W.
Washington, D.C. 20006

Ronald G. Choura
Office of Planning, Policy & Evaluation
Michigan Public Service Commission
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

John F. Dodd
Brad I. Pearson
Smith, Gill, Fisher & Butts
One Kansas City Place
1200 Main Street
35th Floor
Kansas City, MO 64105-2107

Henry L. Baumann
Terry L. Etter
National Association of Broadcasters
1771 N Street, N.W.
Washington, D.C. 20036

Robert C. Mackichan, Jr.
Vincent L. Crivella
Michael J. Ettner
General Services Administration
18th & F Streets, N.W.
Room 4002
Washington, D.C. 20405

Squire Padgett
National Black Media Coalition
1628 11th Street, N.W.
Suite 408
Washington, D.C. 20001

Robert Brinkmann
The National Newspaper Assn.
1627 K Street, N.W.
Suite 400
Washington, D.C. 20006

Carol F. Sulkes
Central Telephone Company
8745 West Higgins Rd.
Chicago, IL 60631

Richard McKenna, W11L15
GTE Service Corporation
P.O. Box 152092
Irving, TX 75016-6362

John K. Rose
William D. Basket, III
Thomas E. Taylor
Cincinnati Bell Telephone Co.
2500 Central Trust Center
201 East Fifth Street
Cincinnati, OH 45202

E. William Kobernusz
The Southern New England
Telephone Company
227 Church Street
New Haven, CT 06510-1806

Don L. Keskey
Henry J. Boynton
Michigan Public Service
Commission
1000 Long Boulevard
Suite 11
Lansing, MI 48911

Richard C. Bellak
Florida Public Service
Commission
101 East Gaines Street
Tallahassee, FL 32399-0862

Irwin A. Popowsky
Phillip F. McClelland
Pennsylvania Office of
Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Susan D. Simms
Cheryl Walker Davis
Pennsylvania Public Utility
Commission
P.O. Box 3265
Harrisburg, PA 17120

W. Benny Won
Public Utility Commission
of Oregon
Department of Justice
General Counsel Division
Justice Building
Salem, OR 97310

Josephine S. Trubek
Michael J. Shortley, III
Rochester Telephone
Corporation
180 South Clinton Ave.
Rochester, NY 14646

Heather R. Wishik
Vermont Department of Public
Service
120 State Street
State Office Building
Montpelier, VT 05620

Stephen D. Ruud
Commission Counsel
Colorado Public Utilities
Commission
1580 Logan Street, OL-2
Denver, CO 80203

Leon M. Kestenbaum
US Sprint Communications
Company
1850 M Street, N.W.
Suite 1110
Washington, D.C. 20036